

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6775

BILL NUMBER: SB 516

NOTE PREPARED: Jan 28, 2013

BILL AMENDED:

SUBJECT: Medicaid Payments for Children's Nursing Facilities.

FIRST AUTHOR: Sen. Miller Patricia

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State

Summary of Legislation: This bill requires the Office of Medicaid Policy and Planning (OMPP) to reimburse children's nursing facilities in accordance with Medicare payment principles.

Effective Date: July 1, 2013.

Explanation of State Expenditures: The fiscal impact of this bill is indeterminate at this time. The bill defines a children's nursing facility as a facility that has 15% or more of its residents who are less than 21 years of age and has been designated as a children's nursing facility by OMPP. The bill would require that the entire facility - not just the services for residents under the age of 21, be reimbursed using the Medicare cost methodology, which results in higher payments than Medicaid. In order to estimate the fiscal impact of the bill, the number of facilities and the specific facilities that would meet the definition and be designated as children's nursing facilities would need to be determined. A comparison of each facility's Medicaid and Medicare rates would also need to be performed by the state's Medicaid nursing facility rate setting contractor. [Additional information will be provided when it becomes available.]

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Kathy Norris, 317-234-1360.